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# FACT CHECK: Are DACA Recipients Stealing Jobs Away From Other Americans?

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*U.S. Attorney General Jeff Sessions announces the president's decision to end the Deferred Action for Childhood Arrivals program on Tuesday.*

*The Asahi Shimbun via Getty Images*

In announcing the president's decision to end the Deferred Action for Childhood Arrivals program, Attorney General Jeff Sessions stressed the legal arguments for that decision.

But he also made the economic case for ending DACA, saying Tuesday that the beneficiaries of the program ended up denying jobs "to hundreds of thousands of Americans by allowing those same illegal aliens to take those jobs."

The overwhelming majority of DACA recipients are employed, according to a recent survey from the left-leaning Center for American Progress. But is it true that DACA recipients took those jobs at the expense of other Americans?

**The claim:** "It also denied jobs to hundreds of thousands of Americans by allowing those same illegal aliens to take those jobs."

**The question:** Are DACA recipients taking jobs away from other Americans?

**The short answer:** On a large scale or in the long run, there is no reason to think DACA recipients have a major deleterious effect on American workers' employment chances. What's more, some economists believe DACA is actually a boost to the economy.

**The long answer**

Logically, it makes sense to think that more immigrant workers would mean fewer jobs for other Americans. And there are indeed some workers who are negatively affected by immigration (more on this later).

But when it comes to whether DACA recipients are taking jobs away from other Americans en masse, one top economist says there aren't facts to back that up.

"There is no evidence of that," said Mark Zandi, chief economist at Moody's Analytics, about Sessions' statement. "Repealing DACA is particularly wrongheaded as economic policy."

There are a few reasons why this is the case. One is that the job market is relatively healthy right now.

"I think the primary thing that would argue against [Sessions' claim] at this point is, we are at full employment with more job openings than at any point in history," said Ray Perryman, president and CEO of the Texas economic research firm the Perryman Group. "We desperately need workers in this country."

On top of that, DACA recipients are relatively well-educated, meaning they have the capacity to make the economy that much more productive. In a January report, the libertarian Cato Institute predicted that eventually, the DACA population would look a lot like people who get H-1B visas (that is, visas for "high-skilled" workers):

*"The majority [of DACA recipients] are still students and 17 percent are pursuing an advanced degree. By contrast, most recipients of H-1B visas are between 25 and 34 and hold either a bachelor's degree or a master's degree. In short, they appear to be a close reflection of what DACA recipients will look like a few years from now as they complete their educations."*

And if it's true that H-1B recipients and DACA recipients are comparable, many economists would say that those highly skilled workers would benefit the rest of the nations' workers in the long term. In a February survey from the University of Chicago, two-thirds of economists surveyed disagreed with the premise that "if the U.S. significantly lowers the number of H-1B visas now, employment for American workers will rise materially over the next four years." None agreed. (The rest had no opinion or did not answer.)

DACA beneficiaries also tend to be employed in higher-skilled jobs than workers who are in the country illegally.

"While the latter were heavily represented in jobs that involve manual work — such as construction and extraction, and building and grounds cleaning and maintenance — DACA-eligible workers were most commonly found in white-collar occupations that are usually done indoors in formal business settings," the Migration Policy Institute wrote in an August report.

And to the extent that employers require or desire college degrees for those jobs, that labor market is even tighter.

"Right now, we have a relatively low level of unemployment, but among college-educated, we have an incredibly low level of unemployment," said Giovanni Peri, professor of economics at the University of California, Davis. "So really, here you're kicking out workers in a part of the market which is probably already higher than full employment."

Peri highlighted another issue with Sessions' claim. The idea that these several hundred thousand DACA workers are taking work away from several hundred thousand other people assumes that there is a fixed amount of work available. This is what economists call the "lump of labor fallacy."

"The simple point — which is true for them but even more for them and all immigrants — if they were not there, the American economy would be 800 [thousand] young people smaller," Peri said. "And the skills and productivity that they brought to the economy wouldn't be here."

"Population creates its own jobs in some sense," he said.

Zandi has predicted (according to The New York Times) that in five years, the GDP would be \$105 billion smaller without DACA recipients than with them. That is not much, considering that the nation's total gross domestic product is around \$19 trillion per year. But it's nevertheless a hit that the U.S. could now be opting into.

It's likely true that on an individual-by-individual level, there are some DACA recipients who have jobs that native-born or naturalized workers might otherwise have. And it's possible then, that if those DACA recipients no longer could work, there would be other people to take their places. And on the surface, that logic seems to make sense.

But workers are also consumers — they spend their paychecks and grow the economy.

Not only that, but these workers also bring with them skills and education and contribute to the economy.

A (very) simplified version might go like this: The DACA recipient who works as an office manager might, for example, make his workplace more efficient, meaning that the firm might eventually have room to create another job. But take that DACA worker away, and the office has to find a replacement.

That replacement could come along, but it also might not. Not only is the labor market tight for educated workers, but geography matters as well — that person would have to be there or be willing to relocate to get that job. DACA recipients are heavily concentrated in a few states, like California and Texas, so that might reasonably be where a lot of these hypothetical jobs would be.

If the office *can't* find someone to replace that worker, it might decide to do without that hire. That leaves the economy with two fewer jobs than in the counterfactual.

Of course, if DACA were indeed to end without a fix from Congress, these 800,000 beneficiaries wouldn't just disappear — some might eventually be deported, but that would take time.

Others might seek off-the-books work. In that case, those workers might still contribute to the economy, but it could be a waste of those workers' productive capacity. And to the extent that those students were educated at U.S. schools, that would be productive capacity the U.S. will have helped to create.

### **A big caveat**

This is not at all to say that having more immigrant workers leaves all other American workers better off.

That same University of Chicago survey of economists also found in 2013 that while a plurality of economists agreed that having more low-skilled foreign workers in the U.S. would benefit the economy as a whole, it would be bad for low-skilled workers who are already here. (And as proof that this is not at all a cut-and-dried issue, on both questions, more than one-quarter of economists were "uncertain.")

Likewise, there is some evidence that high-skilled immigrants (that is, those with H-1B visas) help pull wages down. And there are also cases where American workers have lost jobs to H-1B recipients.

Harvard economist George Borjas laid out his perspective, balancing immigration's benefits and costs, in a Politico Magazine piece published months before the 2016 election. Borjas criticized candidate Donald Trump for misrepresenting his research in Trump's Republican National Convention speech. But he also chastised Democratic candidate Hillary Clinton for only presenting the positive side of immigration.

"Trump might cite my work, but he overlooks my findings that the influx of immigrants can potentially be a net good for the nation, increasing the total wealth of the population," he wrote. "Clinton ignores the hard truth that not everyone benefits when immigrants arrive. For many Americans, the influx of immigrants hurts their prospects significantly."

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